

## REMARKS

### Administrative Overview

Initially, claims 1–52 were presented for examination. In the Office Action mailed on July 7, 2004, claims 1, 2, 4, 16, 17, 21–23, 27, 28, 30, 42, 43, and 49 were rejected under 35 U.S.C. § 112, ¶ 2, as being indefinite for failing to point out and distinctly claim the subject matter the Applicants regard as their invention. Claims 1 and 27 were said to be unclear and confusing, and were rejected under 35 U.S.C. § 112, ¶ 2 for combining statutory classes of invention; claims 2–26 were rejected as dependent on claim 1. Claims 1 and 27 were also objected to under 37 C.F.R. § 1.75 as being duplicative.

Claims 1–26 were rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter. The drawings and specification were objected to because they were said not to be in agreement with respect to various elements.

Concerning the prior art, claims 1–3 and 27 were rejected under 35 U.S.C. § 102(b) as anticipated by U.S. Patent No. 6,647,373 to Carlton-Foss (hereinafter “*Carlton-Foss*”). Claims 4–26 and 28–52 were rejected as unpatentable over *Carlton-Foss* in view of U.S. Patent No. 6,012,045 to Barzilai et al. (hereinafter “*Barzilai*”). Five other references were said to be pertinent to the Applicants’ disclosure.

The Applicants hereby amend the specification, claims, and drawings and respectfully request reconsideration of the claims in light of these amendments and the arguments below. Support for these amendments may be found, for example, in claims 1 and 27 as originally filed, at paragraphs 4, 5, and 96, and throughout the published application. The Applicants submit that no new matter has been introduced by these amendments. After the entry of these amendments, claims 1–52 will be pending in this application.

Each of the outstanding objections and rejections is addressed in the order in which they appear in the Office Action.

### Interview Summary

We thank the Examiner for the courtesy of the telephonic interview held on September 7, 2004. As summarized in the Interview Summary mailed on September 22, 2004, in the interview the Examiner expressed concerns regarding the clarity and scope of independent claim 1 as it was

proposed for amendment. The Examiner asked the undersigned to provide more information concerning the first information disclosure statement filed in connection with this application, and asked for the revision of the arguments made in this Response.

The Specification, Claims, and Drawings, as Amended, are from the Office's Publication of this Application

The undersigned does not have a copy of the application that was filed with the Office and has used the specification, claims, and drawings published by the Office in Publication No. 2003/0004850A1 in the preparation of this Response. Citations to material in the Applicants' specification are made with respect to the numbered paragraphs of the published application.

The undersigned respectfully requests that he be advised of any differences between the application as filed and the published application for use in future correspondence with the Office.

The Pending Claims, as Amended, Satisfy the Requirements of 35 U.S.C. § 112

Claims 1, 2, 4, 16, 17, 21–23, 27, 28, 30, 42, 43, and 49 were rejected under 35 U.S.C. § 112, ¶ 2, as being indefinite for use of the term “public buyer constraints.” As indicated by the discussion in paragraphs 4, 5, and 96, a “public buyer constraint” is a constraint imposed by a buyer on a proposed transaction. For example, when the proposed transaction is the purchase of a good, example constraints include minimum or maximum quantities, delivery dates, or standards of quality. See paragraph [0004].

As indicated above, we have amended the rejected claims by replacing the term “public buyer constraints” with the term “requirement” and making additional changes to phrasing where appropriate. We stress that this amendment has been made for clarification, and not for reasons related to patentability. We respectfully submit that these amendments fully address this ground of rejection.

Claims 1–27 were also rejected under 35 U.S.C. § 112, ¶ 2, for combining two separate statutory classes of invention in a single claim. This rejection was repeated under 35 U.S.C. § 101 and, accordingly, is addressed below.

The Pending Claims, as Amended, Satisfy the Requirements of 35 U.S.C. § 101

Claims 1–26 were rejected under 35 U.S.C. § 101 for embracing two different statutory classes of invention, namely methods and systems; claim 27 was rejected under 35 U.S.C. § 112, ¶ 2 for similar reasons. We have amended the rejected claims to address this issue and, accordingly, we submit that these amendments fully address this ground of rejection.

The Pending Claims, as Amended, Are Not Duplicative

Claim 1 was objected to under 37 C.F.R. § 1.75 as being a substantial duplicate of claim 27. We have amended claim 27 so that the body of the claim differs from the body of claim 1 and, accordingly, we submit that these amendments fully address this ground for rejection.

The Drawings and Specification, as Amended, are now in Accordance

New drawings were requested because the discussion of particular drawings in the specification was said to discuss items that are absent from those drawings, and because reference characters were said to be reused for different items. The specification was also objected to for failing to discuss items present in the drawings, and for failing to use conjunctives.

We have amended the specification to include explicit citations to those figures where items are introduced and to discuss those items that the Examiner said were absent from the specification. We have also amended the drawings to clarify how the reference characters are used.

We respectfully submit that the foregoing amendments to the specification and the drawings fully address these grounds for objection.

The Claims, as Amended, are Patentable over *Carlton-Foss* and *Barzilai*

Claims 1–3 and 27 were rejected under 35 U.S.C. § 102(b) as being anticipated by *Carlton-Foss*. Claims 4–26 and 28–52 were rejected under 35 U.S.C. § 103 as unpatentable over *Carlton-Foss* in view of *Barzilai*. Since claims 2–26 and 28–52 depend from independent claims 1 and 27, if *Carlton-Foss* does not anticipate claims 1 and 27, then claims 2–26 and 28–52 are also patentable. The Applicants respectfully submit that *Carlton-Foss* and *Barzilai*, either taken

individually or in proper combination, do not teach or suggest all of the limitations of independent claims 1 and 27 and therefore all of the pending claims are patentable.

Generally speaking, the present invention relates to “a computer-implemented method for determining an optimal award schedule for at least partial satisfaction of [a] requisition.”

Application at ¶ 0011. “Public buyer-constraints are received from a buyer ... [and] are then transmitted to a set of prospective suppliers.” Id. at ¶ 0012. Prospective suppliers “choose to submit bids responsive to the public buyer-constraints” and the buyer determines an optimal award schedule using those bids. Id. That is, in a typical auction, numerous suppliers will propose bids that satisfy each party’s requirements, and the “buyer must then choose which of those suppliers are to be awarded the bid. The optimal combination of suppliers, together with the list of items to be ordered from each supplier, is referred to as an optimal award schedule.” Id. at ¶0006 (emphasis added).

In accord with the present invention, the buyer’s constraints may include traditional price terms, “such as a maximum price the buyer is willing to pay for satisfaction of the requisition,” but in accordance with the present claims, they also include non-price terms. Id. at ¶ 0013. Such non-price terms may include, for example, one or more of “a desired time for satisfaction of the requisition, a desired quality for satisfaction of the requisition, and a desired quantity for satisfaction of the requisition.” Id.

In brief overview, *Carlton-Foss* describes “an electronic reverse auction” including “means for evaluating the bids by a select criteria.” Carlton-Foss at Abstract. Bidders in the *Carlton-Foss* system may compete on factors that are “inherently quantitative, and for which higher numbers often correspond to lower evaluations” and factors “for which the bidders do not directly assign their own numbers, which are therefore not necessarily quantitative.” Id. at col. 11, ln. 14–15, ln. 16–18. The result is a list of bids ranked by their percent fit to the requester’s specification, as illustrated in FIG. 15. In contrast to the pending claims, *Carlton-Foss* does not determine an optimal award schedule, i.e., an “optimal combination of suppliers, together with the list of items to be ordered from each supplier.” Application at ¶0006.

*Barzilai* teaches “a computer-based method of selling consumer products and consumer services.” Barzilai at Abstract. “The computer-based method electronically posts all bids made by bidders on the products and services during the bid period. The system accepts the highest bid

while excluding bids greater than the lower high bid from a single bidder.” *Id.* Thus *Barzilai* discloses no more than a traditional auction system, not a reverse-auction system, and is therefore even less relevant to the present claims than *Carlton-Foss*. In any case, *Barzilai* does not teach the use of non-price criteria and the determination of an optimal award schedule as required by the present claims.

Specifically, amended independent claims 1 and 27 both recite, in part, “utilizing the specified objective function to select a subset of suppliers from said set of candidate suppliers and determine an optimal award schedule for at least partial satisfaction of said requisition utilizing the selected subset of suppliers,” where the specified objective function includes “non-price criteria.” (emphasis added) We respectfully submit that neither *Carlton-Foss* nor *Barzilai*, alone or in combination, teaches or suggests at least this claim limitation because neither of these references teaches the use of non-price criteria in bids that are used to determine an optimal award schedule; certainly neither reference teaches explicit use of non-price criteria in an objective function capable of optimization or the determination of an optimal award schedule consisting of an optimal combination of suppliers, together with the list of items to be ordered from each supplier.

For these reasons, we submit that *Carlton-Foss* and *Barzilai*, by themselves or in proper combination, fail to teach or suggest all of the elements present in the Applicants’ independent claims 1 and 27. Therefore, we respectfully submit that independent claims 1 and 27, and the remaining claims, which depend therefrom, are patentable over *Carlton-Foss* and *Barzilai*.

### CONCLUSION

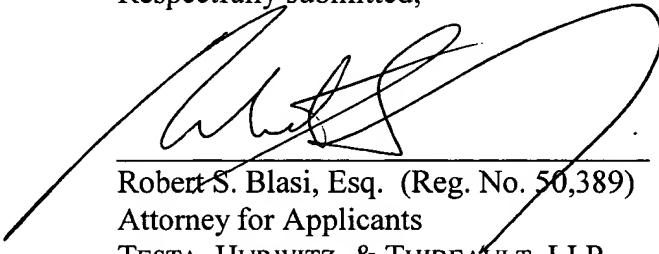
In light of the foregoing, we respectfully submit that all of the pending claims are in condition for allowance. Accordingly, we respectfully request reconsideration, withdrawal of all grounds of rejection and objections, and allowance of all of the pending claims in due course.

If the Examiner believes that a telephone conversation with the Applicants' attorney would be helpful in expediting the allowance of this application, the Examiner is invited to call the undersigned at the number identified below.

Date: October 7, 2004

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Respectfully submitted,



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Amendments to the Drawings:

Enclosed with this response are replacement figures for this application.

FIG. 2:

Reference character 30: text has been changed from “GENERATE RFQ” to  
“BUYER PROVIDES RFQ TO SERVER.”

Reference character 32: text has been changed from “PROVIDE RFQ TO  
SELLERS” to “PROVIDE RFQ TO SUPPLIERS.”

Reference character 34: text has been changed from “SELLERS RESPOND” to  
“SUPPLIERS RESPOND.”

FIG. 4:

Reference character 10: text has been changed from “BUYER” to “BUYER  
MACHINE.”

Reference character 18: deleted.

Reference character 22/“SUPPLIER”: reference character has been changed to 24;  
text has been changed to “SUPPLIER MACHINE.”

Reference character 58: text has been changed from “SUPPLIER WORKSPACE”  
to “SUPPLIER WORKSPACES”; item has been changed to depict a  
plurality of workspaces.

FIG. 7:

Reference character 116: deleted and redrawn to indicate “OFFICE  
FURNITURE” is an example of a “REQUISITION.”

Reference character 118: deleted and redrawn to indicate “CHAIRS” and  
“DESKS” are examples of “CATEGORIES.”

Reference character 120: deleted and redrawn to indicate “COMPUTER,”  
“DESK,” and “METAL” are examples of “SUBCATEGORIES.”

Reference character 122: deleted and redrawn to indicate “PADDED  
ARMCHAIR,” “ADJUSTABLE ARMCHAIR,” “LEATHER SWIVEL,”  
“NAUGAHYDE,” “60” DELUXE,” “72” EXECUTIVE,” “U”

SHAPED”, and ““O” SHAPED” are examples of “INDIVIDUAL ITEMS.”